WRITTEN ANSWERS TO STARRED QUESTIONS

Impact of modified Patent Act

*305. SHRI SHAHID SIDDIQUI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) what impact the modified Patent Act will have on the domestic, pharmaceutical and chemical sectors, the sector-wise details thereof; and

(b) what steps have been taken or proposed to be taken regarding the trepidation of small manufacturers?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) As per the new patent regime introduced through the Patents (Amendment) Ordinance, 2004, effective from 1st January, 2005, patent rights to applications for pharmaceutical and agricultural chemicals filed under Sction 5(2) of the Patents Act shall accrue only from the date of grant of patent in India. Thus, the Indian manufacturers can continue to manufacture such drugs and chemicals for which patent protection is not valid in India. Majority of the drugs in the Indian Market are off patent and production will not be impacted by the modified Patent Act. The new patent regime introduced through the Patents (Amendment) Ordinance 2004, in the context of globalization of Indian economy is expected to provide an impetus to growth in research and development and enhancement in the capability of the Indian system to generate and protect the intellectual property.

Losses of SEBs

†*306. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the quantum of commercial losses in States Electricity Boards is constantly on increase for the last few years;

(b) if so, the quantum of such losses in 1990-91 and the estimated quantum of the same during 2005-06;

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†Original notice of the question was received in Hindi.

(c) whether Government have found out of reasons for such losses; and

(d) if so, the details thereof and the percentage of the losses incurred due to each of the said reasons?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) No, Sir. The ever increasing trend of commercial losses of State Power Utilities has been arrested after 2001-02.

(b) The commercial losses (without subsidy) in State Electricity Boards have increased from Rs. 4,560 crores during 1992-93 to Rs. 25,259 crores during 2000-01. According to data compiled by Power Finance Corporation, the losses of State Utilities have reduced from 26,596 crores in 2001-02 to Rs. 20,231 crores in 2003-04. Losses as percentage of turnover have started exhibiting a declining trend which is expected to be maintained in coming years.

(c) and (d) The major factors responsible for losses of power utilities, *inter alia*, include theft of power, high technical losses, over staffing in utilities, poor metering, billing and collection, irrational tarrif and non-payment of subsidies by the Government.

A major programme for extending metering to all feeders and consumers is under implementation which will make energy accounting and audit possible and would also segregate losses on account of different factors.

Separate Courts to deal with patents and intellectual property Rights issues

*307. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the intellectual property rights experts have urged the Government to have separate courts to deal with issues connected with patents and intellectual property rights in the light of the new patent regime invoked from 1st January, 2005;

(b) if so, the details of the suggestion made by the experts;

(c) whether any action has been initiated in this direction by the Government;